GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:888
ANSWERED ON:27.07.2001
PENSION SCHEME FOR GOVERNMENT SERVANT
NARESH KUMAR PUGLIA

Will the Minister of FINANCE be pleased to state:

(a) whether the working group on pension liabilities headed by the Controller General of Accounts has submitted its report to him on June 25, 2001 wherein it has suggested a switch over to a funded pension scheme for Government servants;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a), (b) & (c): Yes, Sir. The Working Group on `Assessment of Government of India`s Pensionary Liability` headed by Controller General of Accounts has submitted its report on June 25, 2001. The Working Group has inter-alia, recommended a transition to a funded system of pension for new government employees and system of incentives to encourage migration of existing employees to a funded system.

Pursuant to Government`s announcement in the Budget for 2001-2002 that the Civil Services Pension System would be replaced by a new pension programme based on defined contributions, the Department of Pensions and Pensioners` Welfare has constituted a High Level Expert Group to prepare a road map for such a transition.